THE STATE of ALASKA
GOVERNOR SEAN PARNELL

Department of Environmental Conservation

DIVISION OF SPILL PREVENTION & RESPONSE
Contaminated Sites Program

555 Cordova Street
Anchorage, Alaska 99501
Phone: 907.269.7503
Fax: 907.269.7649
dec.alaska.gov

File No: 2100.38.198

September 19, 2014

Miles Schlosberg, Manager
ActiveSpace LLC
3150 C St. Suite 290
Anchorage, Alaska 99503-3980

Re: Decision Document: Former Quality Fabrication
Cleanup Complete Determination – Institutional Controls

Dear Mr. Schlosberg;

This letter replaces a former letter, dated September 9, 2014.

The Alaska Department of Environmental Conservation (ADEC) has reviewed the environmental records for the Former Quality Fabrication site, located at 360 East 100th Avenue in Anchorage, Alaska. This decision letter memorializes the site history, cleanup actions, and specific conditions required to effectively manage remaining contamination. No further remedial action will be required as long as compliance with these conditions is maintained.

Site Name and Location:
Former Quality Fabrication
360 East 100th Ave.
Anchorage, Alaska 99515

Name and Mailing Address of Contact Party:
Miles Schlosberg, Manager
ActiveSpace LLC
3150 C St. Suite 290
Anchorage, AK 99503-3980

ADEC Site Identifiers:
File No: 2100.38.198
Hazard ID: 3004

Regulatory Authority for Determination:
18 AAC 75

Site Description and Background
The Former Quality Fabrication site located at 360 East 100th Avenue was reportedly used as an unauthorized landfill for silt, peat and other construction waste, and later covered by unspecified fill. The property was developed in 1985 and was used as a truck maintenance facility until 1991 which is when Quality Fabrication Inc. (QFI) purchased the property. Heavy steel fabrication was performed

by QFI until Northrim Bank repossessed the property in 1997. Between 1991 and 1998, several site characterization and remedial actions were completed to address the reported spills and contamination at this site. In January of 2008, a closure decision was issued and no further action was required.

On November 23, 2010, the ADEC received a Limited Environmental Baseline Study from Shannon and Wilson, Inc. (S&W), that reported the environmental condition of the surface and subsurface soils at the site. Three general areas of concern were identified, and are discussed below:

1. Diesel range organics (DRO) and residual range organics (RRO) were present in several surface soil samples above ADEC migration to groundwater (MTG) cleanup levels.

2. Residual range organics (RRO) was identified in a grab groundwater sample, collected from a test pit (TP2) on the northeast portion of the property at a concentration of 1.85 milligrams per liter (mg/L), which exceeds the Table C cleanup level of 1.1 mg/L.

3. One surface soil sample (SS3), which was collected from the southwestern portion of this property, exhibited a concentration of tetrachloroethylene (PCE) at 70.7 mg/kg, which exceeded the ADEC cleanup criterion of 0.024 mg/kg.

Based on the information in the baseline study, the site was re-opened on November 23, 2010.

Contaminants of Concern

The following petroleum contaminants of concern, those above ADEC cleanup criteria, were identified during the course of the site investigations summarized in the Characterization and Cleanup Activities section of this decision letter.

- Diesel Range Organics (DRO)
- Residual Range Organics (RRO)
- Tetrachloroethylene (PCE)

Cleanup Levels

Concentrations of DRO, RRO, and PCE were detected in soil above ADEC MTG, inhalation, and ingestion cleanup levels for the under 40-inch precipitation zone, established in 18 AAC 75.341(c), Table B1, and 18 AAC 75.341 (d), Table B2. Concentrations of DRO and RRO were also detected in groundwater above the ADEC cleanup levels established in 18 AAC 75.345 Table C.

Table 1 – ADEC Cleanup Levels

Contaminant	Soil-Ingestion Cleanup Level (mg/kg)	Soil-Inhalation Cleanup Level (mg/kg)	Soil-MTG Cleanup Level (mg/kg)	Groundwater Cleanup Level (mg/L)
DRO	10,250	12,500	250	1.5
RRO	10,000	22,000	11,000	1.1
PCE	15	10	0.024	0.005

mg/kg = milligrams per kilogram
mg/L = milligrams per liter

Characterization and Cleanup Activities

In April of 2011, S&W performed additional characterization activities at this site. Samples were collected from six soil borings and nine surface locations to further delineate the nature and extent of contamination. Results from this investigation indicated that the DRO and RRO contamination in the surface soils, for the most part, did not migrate to the subsurface.

In June of 2013, S&W personnel installed Monitoring Well B8MW on the northeastern portion of the property, adjacent to Test Pit TP2. During drilling, gravel, sand, and silt materials were encountered between the ground surface and 11 feet below ground surface (bgs); peat was observed between 11 and 13 feet bgs. Sample results showed that DRO and RRO were present in the groundwater above Table C at 2.96 mg/L and 1.72 mg/L, respectively.

Based on chromatographs and presence of peat, it was determined that biogenic interference may have contributed to the elevated concentrations of DRO and RRO. A second water sample was collected in July, 2013 and submitted to an ADEC approved laboratory for DRO and RRO with silica gel cleanup. Concentrations of DRO and RRO were present at similar concentrations to the above-referenced water sample; however, following the silica gel cleanup, DRO and RRO were not detected above the laboratory detection limits or the Table C cleanup levels.

On July 18, 2013, roughly 9.25 cubic yards (cy) of PCE impacted soil were removed from the vicinity of Sample SS3. During the excavation activities, the soils removed were field screened and stockpiled in a long term storage cell (biopile) onsite. Three confirmation soil samples (two from the sidewalls and one from the base of the excavation), and a duplicate soil sample were submitted for DRO, RRO, and VOCs. Following confirmation soil sampling, the excavation was lined with a geotextile fabric and filled with clean, imported fill. None of the confirmation samples contained concentrations that exceeded the MTG cleanup criteria.

The biopile was sampled on May 21, 2014 for DRO, RRO, and VOCs. All results were below MTG cleanup levels. The soils from the biopile were approved for land-spreading along the southwest property boundary. See Table 2 for remaining levels of contamination.

Table 2 – Maximum Remaining Contaminant Concentrations

Contaminant	Surface Soil 0 to 2 feet bgs (mg/kg)	Subsurface Soil 2 to 15 feet bgs (mg/kg)	Groundwater – prior to silica gel cleanup (mg/L)	Groundwater – post silica gel cleanup (mg/L)
DRO	657	47.5	2.52	ND
RRO	10,700	661	1.82	ND
PCE	ND	ND	NA	NA

mg/kg = milligrams per kilogram
mg/L = milligrams per liter
ND = not detected above the laboratory LOQ and/or the ADEC cleanup criteria
NA = Not applicable

Cumulative Risk Evaluation

Pursuant to 18 AAC 75.325(g), when detectable contamination remains on-site following a cleanup, a cumulative risk determination must be made that the risk from hazardous substances does not exceed a cumulative carcinogenic risk standard of 1 in 100,000 across all exposure pathways and does not exceed a cumulative non-carcinogenic risk standard at a hazard index of one across all exposure pathways.

Based on a review of the environmental record, ADEC has determined that residual contaminant concentrations do not pose a cumulative human health risk.

Exposure Pathway Evaluation

Following investigation and cleanup at the site, exposure to the remaining contaminants was evaluated using ADEC's Exposure Tracking Model (ETM). Exposure pathways are the conduits by which contamination may reach human or ecological receptors. ETM results show all pathways to be one of the following: De-Minimis Exposure, Exposure Controlled, or Pathway Incomplete. A summary of this pathway evaluation is included in Table 3.

Table 3 – Exposure Pathway Evaluation

Pathway	Result	Explanation
Surface Soil Contact	De-Minimis Exposure	Concentrations of DRO and RRO are present in the surface below ingestion and direct contact cleanup levels.
Sub-Surface Soil Contact	De-Minimis Exposure	Concentrations of DRO and RRO are present in the subsurface below ingestion and direct contact cleanup levels.
Inhalation – Outdoor Air	De-Minimis Exposure	Contamination remains in the surface and sub-surface, but is below inhalation cleanup levels.
Inhalation – Indoor Air (vapor intrusion)	De-Minimis Exposure	Styrene and PCE were detected in the surface and subsurface soils; however, below the most stringent, MTG cleanup levels. Therefore, risk via this pathway is considered insignificant.
Groundwater Ingestion	De-Minimis Exposure	Groundwater contamination is present above Table C groundwater cleanup levels; however, a groundwater (GW) sample indicated biogenic interference. Also GW is not used as a drinking water source at this site.
Surface Water Ingestion	Pathway Incomplete	Surface water is not used as a drinking water source in the vicinity of the site.
Wild and Farmed Foods Ingestion	Pathway Incomplete	The site in not in an area that could be reasonably used for farming, hunting, or fishing.
Exposure to Ecological Receptors	Pathway Incomplete	There are no terrestrial or aquatic routes present at the site.

Notes to Table 2: "De-Minimis Exposure" means that in ADEC's judgment receptors are unlikely to be affected by the minimal volume or concentration of remaining contamination. "Pathway Incomplete" means that in ADEC's judgment contamination has no potential to contact receptors. "Exposure Controlled" means there is an administrative mechanism in place limiting land or groundwater use, or a physical barrier in place that deters contact with residual contamination.

ADEC Decision

Petroleum contamination remains in surface soil and groundwater above approved cleanup levels; however, ADEC has determined there is no unacceptable risk to human health or the environment as long as the contamination is properly managed in accordance with the conditions outlined below.

1. Any future change in land use may impact the exposure assumptions cited in this document. If land use changes and/or ownership changes that may result in a change in land use at the site, these management conditions may not be protective and ADEC may require additional remediation and revised conditions. Therefore ActiveSpace, LLC or any successor in interest to the property, shall report to ADEC every five (5) years to document land use, or report as soon as ActiveSpace, LLC or any successor owner becomes aware of any change in land ownership and/or land use, if earlier. The report can be sent to the local ADEC office or electronically to DEC.ICUnit@alaska.gov.

2. A Notice of Environmental Contamination (NEC) will be recorded by ADEC at the State Recorder's Office that identifies the nature and extent of contamination at the property, and the conditions the owners and operators are subject to in accordance with this decision document. (See Attachment B.)

3. Installation of groundwater wells, dewatering or otherwise using or moving the groundwater at the site requires approval from ADEC.

4. Any proposal to transport soil or groundwater off site requires ADEC approval in accordance with 18 AAC 75.325(i). A "site" [as defined by 18 AAC 75.990 (115)] means an area that is contaminated, including areas contaminated by the migration of hazardous substances from a source area, regardless of property ownership.

5. Movement or use of contaminated material in a manner that results in a violation of 18 AAC 70 water quality standards is prohibited.

The ADEC Contaminated Sites Database will be updated to reflect the change in site status as detailed above, and will include a description of the contamination remaining at the site. Institutional controls will be removed in the future if documentation can be provided that shows cleanup levels have been met. Management conditions 3 and 4 remain in effect after ICs are removed.

This determination is in accordance with 18 AAC 75.380 and does not preclude ADEC from requiring additional assessment and/or cleanup action if future information indicates that this site may pose an unacceptable risk to human health or the environment.

Appeal

Any person who disagrees with this decision may request an adjudicatory hearing in accordance with 18 AAC 15.195 – 18 AAC 15.340 or an informal review by the Division Director in accordance with 18 AAC 15.185. Informal review requests must be delivered to the Division Director, 410 Willoughby Avenue, Suite 303, Juneau, Alaska 99801, within 15 days after receiving the department's decision reviewable under this section. Adjudicatory hearing requests must be delivered to the Commissioner of the Department of Environmental Conservation, 410 Willoughby Avenue, Suite 303, Juneau, Alaska 99801, within 30 days after the date of issuance of this letter, or

within 30 days after the department issues a final decision under 18 AAC 15.185. If a hearing is not requested within 30 days, the right to appeal is waived.

Please sign and return *Attachment A* to ADEC within 30 days of receipt of this letter. If you have questions about this closure decision, please feel free to contact me at (907) 269-7691 or joshua.barsis@alaska.gov.

Sincerely,

Joshua Barsis
Environmental Program Specialist III

Attachment A: Cleanup Complete-ICs Agreement Signature Page
Attachment B: Notice of Environmental Contamination (NEC)

cc: Dan McMahon, S&W (via email)
RFA via email at dec.spar.cr@alaska.gov
Kamie Willis, DOL (via email)

Attachment A: Cleanup Complete-ICs Agreement and Signature Page*

Activespace, LLC agrees to the terms and conditions of this Cleanup Complete Determination, as stated in this decision letter for the *Former Quality Fabrication* site dated **September 19, 2014.** Failure to comply with the terms of this agreement may result in ADEC reopening this site and requiring further remedial action in accordance with 18 AAC 75.380.

M. S. Schlosberg Manager 9/23/2014
Signature of Authorized Representative, Title Date
Miles Schlosberg, Manager for Activespace, LLC

Miles S. Schlosberg Mgr.
Printed Name of Authorized Representative, Title
Miles Schlosberg, Manager for Activespace, LLC

Note to Responsible Person (RP):
After making a copy for your records, please return a signed copy of this form to the ADEC project manager at the address on this correspondence within 30 days of receipt of this letter.

For Internal Use Only

ADEC File No. 2100.38.198
Hazard ID: 3004
ADEC Project Manager: Joshua Barsis

***Attention ADEC Administration Staff:** Please follow the procedure below after Attachment A is signed/returned to ADEC.

1. Log-in and Date Stamp *Attachment A*
2. Scan *and* Save to the appropriate electronic folder on the network Drive
3. File the hard copy in the appropriate project/site file Correspondence Folder (blue in Anchorage).
4. Provide the Correspondence folder (with the filed *Attachment A* hard copy) to the ADEC Project Manager

Notice of Environmental Contamination

Grantor: State of Alaska
Department of Environmental Conservation
Contaminated Sites Program

Grantee: Activespace, LLC

Legal Description: Maui Industrial Park Tract 1B in Section 18, Township 12 North, Range 3 West, Seward Meridian, within the Anchorage Recording District, Alaska

Recording District: 301 – Anchorage

Return to: Joshua Barsis
Environmental Program Specialist
555 Cordova Street
Anchorage, AK 99507

State Business- No Charge

NOTICE OF ENVIRONMENTAL CONTAMINATION

As required by the Alaska Department of Environmental Conservation, Grantor, pursuant to 18 AAC 75.375 Activespace, LLC, Grantee, as the owner of the subject property, hereby provides public notice that the property located at 360 East 100th Avenue, Anchorage, Alaska 99515 and more particularly described as follows:

MAUI INDUSTRIAL PARK TR 1B in Section 18, Township 12 North, Range 3 West, Seward Meridian, within the Anchorage Recording District, Alaska

has been subject to a discharge or release and subsequent cleanup of oil or other hazardous substances, regulated under 18 AAC 75, Article 3, revised as of April 8, 2012. This release and cleanup are documented in the Alaska Department of Environmental Conservation (ADEC) contaminated sites database at http://www.dec.state.ak.us/spar/csp/db_search.htm under Hazard ID number 3004.

ADEC reviewed and approved, subject to this and other institutional controls, the cleanup as protective of human health, safety, welfare, and the environment. No further cleanup is necessary at this site unless new information becomes available that indicates to ADEC that the site may pose an unacceptable risk to human health, safety, welfare, or the environment. ADEC determined, in accordance with 18 AAC 75.325 – 390 site cleanup rules, that cleanup has been performed to the maximum extent practicable even though residual soil and groundwater exists on-site.

A Notice of Environmental Contamination (deed notice) shall be recorded in the State Recorder's Office as an institutional control (IC) that identifies the nature and extent of contamination at the property and the conditions that the owners and operators are subject to in accordance with this decision document. These conditions are as follows:

1. Any future change in land use may impact the exposure assumptions cited in this document. If land use changes and/or ownership changes that may result in a change in land use at the site, these management conditions may not be protective and ADEC may require additional remediation and revised conditions. Therefore ActiveSpace, LLC or any successor in interest to the property, shall report to ADEC every five (5) years to document land use, or report as soon as ActiveSpace, LLC or any successor owner becomes aware of any change in land ownership and/or land use, if earlier. **The report can be sent to the local ADEC office or electronically to DEC.ICUnit@alaska.gov.**

2. Installation of groundwater wells requires ADEC approval.

3. Any proposal to transport soil or groundwater off-site requires ADEC approval in accordance with 18 AAC 78.600(h). A "site" [as defined by 18 AAC 75.990 (115)] means an area that is contaminated, including areas contaminated by the migration of hazardous substances from a source area, regardless of property ownership.

4. Movement or use of contaminated material in a manner that results in a violation of 18 AAC 70 water quality standards is prohibited.

In the event that the remaining contamination becomes accessible, or other information becomes available which indicates that the site may pose an unacceptable risk to human health, safety, welfare or the environment, the land owner and/or operator are required under 18 AAC 75.300 to notify ADEC and evaluate the environmental status of the contamination in accordance with applicable laws and regulations; further site characterizations and cleanup may be necessary under 18 AAC 75.325-.390.

Pursuant to 18 AAC 75.325(i)(1) and (2), DEC approval is required prior to moving soil or groundwater that is, or has been, subject to the cleanup rules found at 18 AAC 75.325-.370. At this site, in the future, if soil is removed from the site or groundwater is brought to the surface (for example to dewater in support of construction) it must be characterized and managed following regulations applicable at that time.

This NEC remains in effect until a written determination from ADEC is recorded that states that soil and groundwater at the site has been shown to meet the most stringent soil cleanup levels, as defined in method two of 18 AAC 75.340 and Table C in 18 AAC 75.345, and that off-site transportation of soil and groundwater is not a concern.

For more information on the contaminated site in this Notice of Environmental Contamination, please see ADEC Contaminated Sites Program file number 2100.38.198 for the site named Former Quality Fabrication.

_____ _____

Signature of Authorized ADEC Representative Date